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7 Of Attorneys for Trustee Larry D. Compton

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IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK

In Re: )  
)  
MOTORS LIQUIDATION COMPANY,  
et al., f/k/a General Motors Corp., et al. )  
)  
Debtor. ) Chapter 11  
) Case No. 09-50026 (REG)

AFFIDAVIT OF LARRY D. COMPTON

STATE OF ALASKA )  
) : ss.  
THIRD JUDICIAL DISTRICT )

I, Larry D. Compton, Chapter 7 Trustee for the Bankruptcy Estate of Capital  
Chevrolet, being first duly sworn upon oath, depose and state as follows:

1. I am the Trustee appointed for the Chapter 7 Bankruptcy Estate of Capital  
Chevrolet. I submit this affidavit in support of my motion to accept the late filed proof  
of claim in the Motors Liquidation proceeding.

2. I think it would be helpful for the court to understand the history of the  
Capital Chevrolet bankruptcy in making its ruling whether to accept the proof of claim

1 filed on my behalf by Baxter Bruce & Sullivan on December 3, 2009, three days after  
2 the bar date of November 30, 2009.  
3

4 3. The first meeting of creditors was on April 16, 2007. Initially it appeared  
5 that there would be no recovery for the unsecured creditors in the case due to the  
6 heavily leveraged position of the debtor. However, in discussing the matter with the  
7 secured creditor holding an interest in the parts inventory it became evident that a deal  
8 could be struck wherein the Trustee could sell the inventory with a carve out in favor of  
9 the unsecured creditors. Based on that a deal was negotiated that provided for me as  
10 the Trustee to negotiate the liquidation of the collateral with a carve out for the  
11 unsecured creditors.  
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15 4. In May 2007 I employed a GM Parts Inventory Specialist from Moses  
16 Lake, Washington, to fly to Juneau, Alaska, to update the computerized parts inventory  
17 and send it to GM for "returned parts" approval. Because of the remoteness of Juneau  
18 (it is not on Alaska's road system) and because of the lack of cooperation of GM  
19 personnel, the parts were not authorized to be returned until May 2008. I immediately  
20 arranged for the transfer of parts but was not sent the packing lists necessary for the  
21 transfer until September 17, 2008. For many months I regularly contacted GM  
22 personnel in Portland, Oregon and Reno, Nevada (where the parts were shipped) to  
23 determine when payment would be sent.  
24  
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28 5. Based on what I was told by those personnel the funds were earmarked  
29 for payment to the Capital Chevrolet Estate pending completion of the proper GM  
30

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1 forms. I repeatedly completed the forms both pre petition and post petition of the  
2 Motors Liquidation based on requests by Mr. Jim Oliver.  
3

4 6. After the GM bankruptcy was filed there were still many emails with Mr.  
5 Oliver inquiring about payment. I did not receive any notice of the bankruptcy filing  
6 from the court even though I was having the Capital Chevrolet mail forwarded to my  
7 office in Anchorage.  
8

9 7. I wasn't even sure that the entity I was dealing with in Reno, Nevada was  
10 a part of the GM filing since at no time was I advised by Mr. Oliver that the payment  
11 for these parts was stayed due to the bankruptcy filing of GM.  
12

13 8. Finally after months of being ignored or stone walled by Mr. Oliver I  
14 decided that I should file a proof of claim. I have routinely used the law firm of Baxter  
15 Bruce & Sullivan for cases in Southeast Alaska and often times deal directly with the  
16 paralegals there when the firm represents me as the trustee. I requested that a proof of  
17 claim be prepared and filed in the case. Unfortunately since I had never received a  
18 notice to creditors or any notice of the bar date I made a verbal request and due to a  
19 mistake the initial proof of claim was prepared for the Chrysler Motors case. I did not  
20 catch the error until December 2, 2009 when I questioned why we were receiving  
21 pleadings in the Chrysler case. Baxter Bruce & Sullivan immediately prepared a proof  
22 of claim in the GM case and filed it the next day.  
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28 9. I believe the equities strongly favor the allowance of the December 3,  
29 2009 proof of claim given the conduct of GM since May 2007.  
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1 10. In the course of my efforts to obtain a recovery for unsecured creditors in  
2 the Capital Chevrolet bankruptcy case I have incurred approximately \$40,000 in  
3 administrative costs to negotiate with the secured creditor, obtain Court approval of the  
4 settlement agreement with the secured creditor, and to inventory and ship the parts to  
5 GM Reno.  
6

7  
8 11. Although GM received the parts in Reno, I have never received notice on  
9 behalf of Capital Chevrolet, Inc. of the GM bankruptcy and the requirement of filing a  
10 proof of claim for the approximately \$70,000 worth of parts GM received in September  
11 2008. Regardless of the fact that GM approved the return of the parts by the Capital  
12 Chevrolet Bankruptcy Estate apparently all of the contact information regarding me and  
13 my role disappeared in the GM bureaucracy until December 3, 2009. It seems  
14 completely inequitable under circumstances wherein GM stonewalled the Estate on  
15 payment for over two years, failed to include the Estate in any matrix filed with the  
16 court and then have the court deny the claim for being filed 3 days late..  
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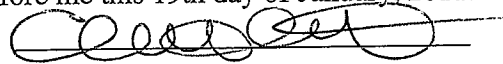
21 FURTHER your affiant sayeth naught.

22 Larry D.  
23 Compton

24 Larry D. Compton, Trustee

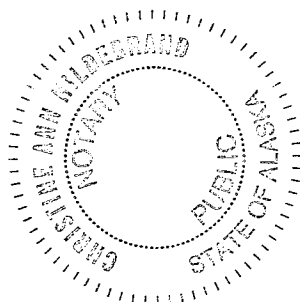
Digitally signed by Larry D. Compton  
DN: cn=Larry D. Compton, o, ou=Trustee,  
email=Larry@comptontrustee.com, c=US  
Date: 2011.01.19 18:59:24 -09'00'

25  
26 SUBSCRIBED and SWORN TO before me this 19th day of January, 2011.

27   
28 Notary Public, State of Alaska

29 My commission expires:

10-13-2012



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